

DECLARATORY RESOLUTION NO. R-66-89

A DECLARATORY RESOLUTION designating an "Economic Revitalization Area" under I.C. 6-1.1-12.1 for property commonly known as 3401 MacArthur Drive, Fort Wayne, Indiana 46809 (ChemRex, Inc.).

WHEREAS, Petitioner has duly filed its petition dated October 3, 1989, to have the following described property designated and declared an "Economic Revitalization Area" under Division 6, Article II, Chapter 2 of the Municipal Code of the City of Fort Wayne, Indiana, of 1974, as amended, and I.C. 6-1.1-12.1, to wit:

PT Lot 1 McNair Est. N 5A B/W Indianapolis Road and RR SE 1/4 NW 1/4 Sec. 33

said property more commonly known as 3401 MacArthur Drive, Fort Wayne, Indiana 46809.

WHEREAS, said project will create 5 additional permanent jobs for a total additional annual payroll of \$125,000.00, with the average new annual job salary being \$25,000.00; and

WHEREAS, the total estimated project cost is \$1,353,000.00; and

WHEREAS, it appears that said petition should be processed to final determination in accordance with the provisions of said Division 6.

NOW, THEREFORE, BE IT RESOLVED BY THE COMMON COUNCIL OF THE CITY OF FORT WAYNE, INDIANA:

SECTION 1. That, subject to the requirements of Section 6, below, the property hereinabove described is hereby designated and declared an "Economic Revitalization Area" under I.C. 6-1.1-12.1. Said designation shall begin upon the effective date of the Confirming Resolution referred to in Section 6 of this Resolution and shall continue for one (1) year thereafter. Said designation shall terminate at the end of that one-year period.

SECTION 2. That upon adoption of the Resolution:

(a) Said Resolution shall be filed with the Allen County Assessor;

(b) Said Resolution shall be referred to the Committee on Finance and shall also be referred to the Department of Economic Development Requesting a recommendation from said department concerning the advisability of designating the above designated area an "Economic Revitalization Area";

(c) Common Council shall publish notice in accordance with I.C. 6-1.1-12.1-2.5 and I.C. 5-3-1 of the adoption and substance of this Resolution and setting this designation as an "Economic Revitalization Area" for public hearing;

(d) If this Resolution involves an area that has already been designated an allocation area under I.C. 36-7-14-39, then the Resolution shall be referred to the Fort Wayne Redevelopment Commission and said designation as an "Economic Revitalization Area" shall not be finally approved unless said Commission adopts a resolution approving the petition.

SECTION 3. That, said designation of the hereinabove described property as an "Economic Revitalization Area" shall apply to both a deduction of the assessed value of real estate and personal property for the new manufacturing equipment.

SECTION 4. That the estimate of the number of individuals that will be employed or whose employment will be retained and the estimate of the annual salaries of those individuals and the estimate of the value of the redevelopment or rehabilitation and the estimate of the value of the new manufacturing equipment, all contained in

1 Petitioner's Statement of Benefits, are reasonable and are
2 benefits that can be reasonably expected to result from
3 the proposed described redevelopment or rehabilitation and
4 from the installation of the new manufacturing equipment.

5 SECTION 5. The current year approximate tax rates
6 for taxing units within the City would be:

7 (a) If the proposed development does not occur, the
8 approximate current year tax rates for this
9 site would be \$11.4948/\$100.

10 (b) If the proposed development does occur and no
11 deduction is granted, the approximate current
12 year tax rate for the site would be
13 \$11.4948/\$100 (the change would be negligible).

14 (c) If the proposed development occurs, and a
15 deduction percentage of fifty percent (50%) is
16 assumed, the approximate current year tax rate
17 for the site would be \$11.4948/\$100 (the change
18 would be negligible).

19 (d) If the proposed new manufacturing equipment is
20 not installed, the approximate current year tax
21 rates for this site would be \$11.4948/\$100.

22 (e) If the proposed new manufacturing equipment is
23 installed and no deduction is granted, the
24 approximate current year tax rate for the site
25 would be \$11.4948/\$100 (the change would be
26 negligible).

27 (f) If the proposed new manufacturing equipment is
28 installed, and a deduction percentage of eighty
29 percent (80%) is assumed, the approximate
30 current year tax rate for the site would be
31 \$11.4948/\$100 (the change would be negligible).

32 SECTION 6. That this Resolution shall be subject to
being confirmed, modified and confirmed or rescinded after
public hearing and receipt by Common Council of the above
described recommendations and resolution, if applicable.

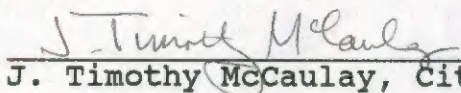
SECTION 7. Pursuant to I.C. 6-1.1-12.1, it is hereby determined that the deduction from the assessed value of the real property shall be for a period of 6 years, and that the deduction from the assessed value of the new manufacturing equipment shall be for a period of 5 years.

SECTION 8. The benefits described in the Petitioner's statement of benefits can be reasonably expected to result from the project and are sufficient to justify the applicable deductions.

SECTION 9. That this Resolution shall be in full force and effect from and after its passage and any and all necessary approval by the Mayor.


Councilmember

APPROVED AS TO FORM
AND LEGALITY


J. Timothy McCaulay, City Attorney

Read the first time in full and on motion by _____, seconded by _____, and duly adopted, read the second time by title and referred to the Committee on _____ (and the City Plan Commission for recommendation) and Public Hearing to be held after due legal notice, at the Council Conference Room 128, City-County Building, Fort Wayne, Indiana, on _____, the _____, day of _____, 19____, at _____ o'clock _____ M., E.S.T.

DATED: _____

SANDRA E. KENNEDY, CITY CLERK

Read the ^{third} time in full and on motion by Kin Jantz, seconded by Bradbury, and duly adopted, placed on its passage. PASSED ~~1001~~ by the following vote:

	AYES	NAYS	ABSTAINED	ABSENT
TOTAL VOTES	8			1
BRADBURY	✓			
BURNS	✓			
EDMONDS	✓			
GiaQUINTA	✓			
HENRY	✓			
LONG				✓
REDD	✓			
SCHMIDT	✓			
TALARICO	✓			

DATED: 10-10-89

Sandra E. Kennedy
SANDRA E. KENNEDY, CITY CLERK

Passed and adopted by the Common Council of the City of Fort Wayne, Indiana, as (ANNEXATION) (APPROPRIATION) (GENERAL) (SPECIAL) (ZONING MAP) ORDINANCE RESOLUTION NO. B-66-89 on the 10th day of October, 1989.

ATTEST
Sandra E. Kennedy
SANDRA E. KENNEDY, CITY CLERK

SEAL
Charles S. Reed
PRESIDING OFFICER

Presented by me to the Mayor of the City of Fort Wayne, Indiana, on the 11th day of October, 1989, at the hour of 2:00 o'clock P. M., E.S.T.

Sandra E. Kennedy
SANDRA E. KENNEDY, CITY CLERK

Approved and signed by me this 19th day of October, 1989, at the hour of 10:00 o'clock A. M., E.S.T.

PAUL HELMKE
PAUL HELMKE, MAYOR

CHEM BEX, INC

FOR USE OF DESIGNATING BODY

IMPACT ON THE CURRENT YEAR TAX RATE FOR THE TAXING DISTRICT INDICATED ABOVE

Tax Rates Determined Using The Following Assumptions		Total Tax Rates
1. Current total tax rate.	\$	11.4948
2. Approximate tax rate if project occurs and no deduction is granted.	\$	11.4948
3. Approximate tax rate if project occurs and a deduction is assumed.	\$	11.4948

Assume an 80% deduction on new machinery installed and / or a 50% deduction assumed on real estate improvements.

We have reviewed our prior actions relating to the designation of this economic revitalization area and find that the applicant meets the general standards adopted in the resolution previously approved by this body. Said resolution, passed under IC 6-1.1-12.1-2.5, provides for the following limitations as authorized under IC 6-1.1-12.1-2:

- A) The designated area has been limited to a period of time not to exceed _____ calendar years. *(See Below)
- B) The type of deduction that is allowed in the designated area is limited to:
- 1) Redevelopment or rehabilitation of real estate improvements. ☒ Yes ☐ No
 - 2) Installation of new manufacturing equipment ☒ Yes ☐ No
 - 3) No limitations on type of deduction (check if no limitations) ☐ No
- C) The amount of deduction applicable for new manufacturing equipment installed and first claimed eligible for deduction after July 1, 1987, is limited to \$ _____ cost with an \$ _____ assessed value.

Also we have reviewed the information contained in the statement of benefits including the impact on the tax rate incorporated herein, and have determined that the benefits described above can be reasonably expected to result from the project and are sufficient to justify the applicable deduction.

Approved: Signature of Authorized Member and Title

Date of Signature

Attested By:

Designated Body

NEW MANUFACTURING EQUIPMENT		REDEVELOPMENT OR REHABILITATION OF REAL PROPERTY IMPROVEMENT			
		For Deductions Allowed Over A Period Of:			
Year of Deduction	Percentage	Year of Deduction	Three (3) Year Percentage	Six (6) Year Percentage	Ten (10) Year Percentage
1st	100%	1st	100%	100%	100%
2nd	95%	2nd	66%	85%	95%
3rd	80%	3rd	33%	66%	80%
4th	65%	4th		50%	65%
5th	50%	5th		34%	50%
6th and thereafter	0%	6th		17%	40%
		7th			30%
		8th			20%
		9th			10%
		10th			5%

SUMMARY SHEET & ECONOMIC DEVELOPMENT RECOMMENDATION
FOR
"ECONOMIC REVITALIZATION AREA"
IN
CITY OF FORT WAYNE, INDIANA

Name of Applicant: ChemRex Inc.
 Site Location: 3401 MacArthur Drive
Fort Wayne, Indiana 46809
 Councilmanic District: 5th Existing Zoning: M-2
 Nature of Business: Manufacture of cement/sand based powdered products such as grouts
 Project is located in the following: and mortars for ceramic tile.

	<u>Yes</u>	<u>No</u>
Designated Downtown Area	<u> </u>	<u>X</u>
Urban Enterprise Zone	<u> </u>	<u>X</u>
Redevelopment Area	<u> </u>	<u>X</u>
Platted Industrial Park	<u> </u>	<u>X</u>
Flood Plain	<u> </u>	<u>X</u>

Description of Project:

Project consists of the construction of a 57' x 43' building and the acquisition of new
manufacturing equipment.

Type of Tax Abatement: Real Property X Manufacturing Equipment X
 Estimated Project Cost: \$ 1,353,000.00 Permanent Jobs Created: 5

STAFF RECOMMENDATION:

As stated per the established policy of the Division of Economic Development, the following recommendations are hereby made:

- 1.) Designation as an "Economic Revitalization Area" should be granted. X Yes No
- 2.) Designation should be limited to a term of year(s).
- 3.) The period of deduction should be limited to * year(s).

Comments:

- * 6 years real property.
 5 years new manufacturing equipment.

Staff L. McPherson
 Date 10-6-89

Director Paul D. Becher
 Date 10/6/89

AN APPLICATION TO
THE CITY OF FORT WAYNE, INDIANA
FOR DESIGNATION OF PROPERTY AS AN
"ECONOMIC REVITALIZATION AREA"
AND STATEMENT OF BENEFITS

RECEIVED
OCT 03 1989
ECONOMIC
DEVELOPMENT

APPLICATION FOR THE FOLLOWING TYPE OF PROPERTY:

<u>X</u>	Real Estate Improvements
<u>X</u>	Personal Property (New Manufacturing Equipment)
<u>X</u>	Both Real Estate Improvements & Personal Property

A. GENERAL INFORMATION

Applicant's Name: ChemRex Inc.

Address of Applicant's Principal Place of Business:

7711 Computer Avenue South

Minneapolis, Mn. 55435

Phone Number of Applicant: (612) 835-3434

Street Address of Property Seeking Designation:
3401 MacArthur Drive

Ft. Wayne, IN. 46809

S.I.C. Code of Substantial User of Property: 3273

B. PROJECT SUMMARY INFORMATION:

	<u>YES</u>	<u>NO</u>
Is the project site solely within the city limits of the City of Fort Wayne	<u>X</u>	<u> </u>
Is the project site within the flood plain?	<u> </u>	<u>X</u>
Is the project site within the rivergreenway area?	<u> </u>	<u>X</u>
Is the project site within a Redevelopment Area?	<u> </u>	<u>X</u>
Is the project site within a platted industrial park?	<u> </u>	<u>X</u>
Is the project site within the designated downtown area?	<u> </u>	<u>X</u>
Is the project site within the Urban Enterprise Zone?	<u> </u>	<u>X</u>

Will the project have ready access to City Water? X
 Will the project have ready access to City Sewer? X
 Is any adverse environmental impact anticipated by
 reason of operation of the proposed project? X

C. ZONING INFORMATION

What is the existing zoning classification on the project site? M2
 What zoning classification does the project require? M2
 What is the nature of the business to be conducted at the project site?
manufacture of cement/sand based powdered products such as grouts and
mortars for ceramic tile. These will be mixed and bagged using
specialized formulas and process equipment.

D. Real Estate Abatement:

Complete this section of the application only if requesting a deduction
 from assessed value for real estate improvements.

What structure(s) (if any) are currently on the property?

Bldg A: 63,500 sq.ft. building for manufacture and warehouse of Z-Brick products.
 Bldg B: 9,500 sq.ft. for storage equipment.

What is the condition of structure(s) listed above? Bldg A: good
 Bldg B: fair

Current assessed value of Real Estate:

Land	<u>\$31,600</u>
Improvements	<u>\$207,800</u>
Total	<u>\$239,400</u>

What was amount of Total Property Taxes owed during the immediate past
 year? *(see below) for year 1988.

Give a brief description of the proposed improvements to be made to
 the real estate.
construct a manufacturing facility to process 22,000,000 pounds per year
of grouts and mortars. The building will be 57' x 43' with storage silos
all enclosed, heighth of about 73'.

*Real Estate for 1988 \$21839.80
+ 1051.82
22891.62

*Property Tax for 1989 \$7494.42

Cost of Improvements: \$ 668,000

Development Time Frame: 5-6 months

When will physical aspects of Improvements begin? November 15, 1989

When is completion expected? March 15, 1990

E. PERSONAL PROPERTY ABATEMENT:

Complete this section of the application only if requesting a deduction from assessed value for installation of new manufacturing equipment.

Current Assessed Value of Personal Property: 183,830

What was amount of Personal Property Taxes owed during the immediate past year? 16,448 for year 1988.

Give a brief description of new manufacturing equipment to be installed at the project site: 10 storage silos, dust collectors, screw conveyors, electronic weigh-

hopper, mixer, automatic bag filler, palletizing equipment, vacuum

equipment, computer process controller.

Cost of New Manufacturing Equipment? \$ 685,000

Development Time Frame: 5-6-months

When will installation begin of new manufacturing equipment? 2-1-1990

When is installation expected to be completed? 3-15-1990

F. PUBLIC BENEFIT INFORMATION:

How many permanent jobs currently are employed by the applicant in Allen County? 24 some will be eliminated if this project is not built in
Ft. Wayne

How many permanent jobs will be created as a result of this project?
5

Anticipated time frame for reaching employment level stated above?
2-3 months

Current annual payroll: \$506,000

New additional annual payroll: \$125,000

What is the nature of the new jobs to be created?
Process operator (technically skilled), mixer operators, material
handlers.

Undesirability of Normal Development:

What evidence can be provided that the property on which the project is located "has become undesirable for, or impossible of, normal development and occupancy because of lack of age, development, cessation of growth, deterioration of improvements or character of occupancy, obsolescence, substandard buildings or other factors which have impaired values or prevent a normal development of property or use of property?"

The Z-Brick business was purchased by ChemRex in Nov 1988 out of a bankruptcy condition. ChemRex has invested heavily in the market development of this business. Additional business is needed to keep this facility running efficiently. The building needs repair and is not built for this process installation. Without this addition jobs will be eliminated.

In what Township is project site located? Wayne

In what Taxing District is project site located? Wayne 91

G. CONTACT PERSON:

Name & address of contact person for further information if required:
Lawrence Benjamin

ChemRex Inc.

7711 Computer Ave, Minneapolis, MN. 55435

Phone number of contact person (612) 835-3434

I hereby certify that the information and representation on this application and attached exhibits are true and complete. Further, it is hereby certified that no building permit has been issued for construction of improvements, nor has any manufacturing equipment been purchased, either of which is included and/or described herein, as of the date of filing of this application.

Lawrence Benjamin
Signature of Applicant

10-1-89
Date



STATEMENT OF BENEFITS

State Form 27187 (7-87)

Form SB-1 is prescribed by the State Board of Tax Commissioners (1987)

Confidential Statement: The records in this series are CONFIDENTIAL according to Indiana Code 6-1.1-35-9.

INSTRUCTIONS: (I.C. 6-1.1-12.1) THIS PAGE TO BE COMPLETED BY APPLICANT

1. This statement must be submitted to the body designating the economic revitalization area BEFORE a person acquires new manufacturing equipment or begins the redevelopment or rehabilitation of real property for which the person wishes to claim a deduction. Effective July 1, 1987.
2. If a person is requesting the designation of an economic revitalization area, this form must be submitted at the same time the request is submitted.
3. Approval of the designating body (City Council, Town Board, County Council, etc.) must be obtained before a deduction may be approved.
4. To obtain a deduction Form 322 ERA, Real Estate Improvements and / or Form 322 ERA / PP, New Machinery, must be filed with the county auditor. With respect to real property, Form 322 ERA must be filed by the later of (1) May 10 or (2) thirty(30) days after a notice of increase in real property assessment is received from the township assessor. Form 322 ERA / PP must be filed between March 1 and May 15 of the assessment year in which new manufacturing equipment is installed, unless a filing extension has been obtained. A person who obtains a filing extension must file the form between March 1 and June 14 of that year.

RECEIVED

OCT 03 1989

ECONOMIC DEVELOPMENT

Name of Designating Body Ft. Wayne City Council	County Allen
Name of Taxpayer ChemRex Inc.	
Address of Taxpayer (Street, city, county) 7711 Computer Ave., Minneapolis, Mn.	Zip Code 55435

SECTION I LOCATION, COST AND DESCRIPTION OF PROPOSED PROJECT

Location of property if different from above 3401 Mac Arthur Drive	Taxing District Wayne 91
Cost and description of real property improvements and / or new manufacturing equipment to be acquired: Bldg \$668,000 the building will be 57' x 43' with 10 storage silos enclosed height 73' building will be steel support structure with insulate metal panels. Equipment \$685,000 Process equipment for cement/sand materials: 10 silos, dust collectors, screw conveyors, electronic weigh hoppers, automatic bag filler, palletizer, computer process controller.	
(Attach additional sheets if needed)	Estimated Starting Date Nov 15, 1989
	Estimated Completion Date March 15, 1990

SECTION II ESTIMATE OF EMPLOYEES AND SALARIES AS RESULT OF PROPOSED PROJECT

Current Number	Salaries	Number Retained	Salaries	Number Additional	Salaries
24	\$506,000	24	\$506,000	5	\$125,000

SECTION III ESTIMATE TOTAL COST AND VALUE OF PROPOSED PROJECT

	REAL ESTATE IMPROVEMENTS		MACHINERY	
	COST	ASSESSED VALUE	COST	ASSESSED VALUE
Current Values		\$207,800		\$183,830
Plus estimated values of proposed project		668,000		685,000
Less: Values of any property being replaced				
Net estimated values upon completion of project		875,800		868,830

SECTION IV OTHER INFORMATION REQUIRED BY THE DESIGNATING BODY

I hereby certify that the representations on this statement are true.		Signatures of Authorized Representative <i>Harvey Benjamin</i>	
Title Vice President of Manufacturing		Date of Signature 10-1-89	Telephone Number 612-835-3434

Admn. Appr. _____

DIGEST SHEET

TITLE OF ORDINANCE Declaratory & Confirming Resolution

R-89-10-09

DEPARTMENT REQUESTING ORDINANCE Economic Development

SYNOPSIS OF ORDINANCE Project consists of the construction of a 57' x 43'

building and the acquisition of new manufacturing equipment.

EFFECT OF PASSAGE The creation of 5 new jobs.

EFFECT OF NON-PASSAGE Opposite of above.

MONEY INVOLVED (DIRECT COSTS, EXPENDITURES, SAVINGS) _____

ASSIGNED TO COMMITTEE (PRESIDENT) Mark GiaQuinta

BILL NO. R-89-10-09

REPORT OF THE COMMITTEE ON FINANCE

MARK E. GiaQUINTA, CHAIRMAN
THOMAS C. HENRY, VICE CHAIRMAN
BRADBURY, SCHMIDT, BURNS

WE, YOUR COMMITTEE ON FINANCE TO WHOM WAS
REFERRED AN (~~ORDINANCE~~) (RESOLUTION) designating an "Economic
Revitalization Area" under I.C. 6-1.1-12.1 for property commonly
known as 3401 MacArthur Drive, Fort Wayne, Indiana 46809
(ChemRex, Inc.)

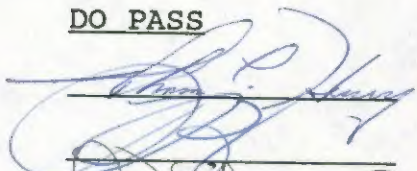
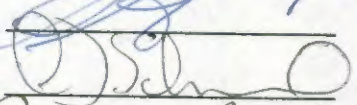
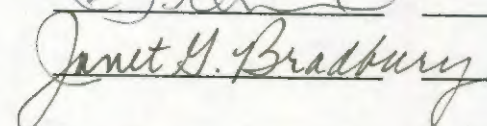
HAVE HAD SAID (~~ORDINANCE~~) (RESOLUTION) UNDER CONSIDERATION
AND BEG LEAVE TO REPORT BACK TO THE COMMON COUNCIL THAT SAID
(~~ORDINANCE~~) (RESOLUTION) _____

DO PASS

DO NOT PASS

ABSTAIN

NO REC

	_____	_____	_____
	_____	_____	_____
	_____	_____	_____
_____	_____	_____	_____
_____	_____	_____	_____
_____	_____	_____	_____
_____	_____	_____	_____
_____	_____	_____	_____

DATED: 10-11-89

Sandra E. Kennedy
City Clerk